



WAITING PERIOD REQUIREMENTS

***** Loans with these circumstances must receive an Approve/Eligible*****

Loan file needs to include an explanation letter from the borrower regarding derogatory event.

Derogatory Event	*Conventional	FHA	VA	USDA
Bankruptcy- Chapter 7 or 11	4 years	2 years from discharge date to application date	2 years from discharge date to application date	3 years
Bankruptcy- Chapter 13	<ul style="list-style-type: none"> • 2 years from discharge date • 4 years from dismissal date 	2 years from discharge date to application date	<ul style="list-style-type: none"> • 2 years from discharge date or • Must have satisfactorily made at least 12 months payments & the Trustee or BK Judge must give approval 	3 years
Multiple Bankruptcy Filings	5 years if more than one filing within the past 7 years	2 years from most recent discharge date to application date	2 years from most recent discharge date to application date	3 years (Underwriter Discretion)
Foreclosure	7 years	<ul style="list-style-type: none"> • 3 years from trustees deed for CVL loan foreclosure to application date • 3 years from settlement date for FHA loan foreclosure to application date 	<ul style="list-style-type: none"> • 2 years from trustees deed ** If loan was a VA foreclosure, applicant may not have full entitlement 	3 years
Deed-in-Lieu of foreclosure/Short Sale/Short Payoff	<ul style="list-style-type: none"> • 4 years regardless of LTV • 4 years for a charged off mortgage regardless of LTV 	3 years to application date	2 years to application date	3 years
Modifications	2 years since modification was completed with no mortgage lates	<ul style="list-style-type: none"> • No waiting period requirement unless any portion was forgiven/charged off by the lender • 3 years from date of completed modification if any portion was forgiven/charged off by the lender 	<ul style="list-style-type: none"> • No waiting period requirement unless any portion was forgiven/charged off by the lender • 2 years from date of completed modification if any portion was forgiven/charged off by the lender 	Reviewed on a case by case basis

*Conventional Mortgage Insurance (above 80 LTV): Review MI company guidelines for any additional overlays

*Jumbo loans need to follow specific lender guidelines. Refer to each investor's guidelines for requirements

***Conventional Loans Only (Foreclosure and Bankruptcy on the Same Mortgage)**

If a mortgage debt was discharged through a bankruptcy, the bankruptcy waiting periods may be applied if the lender obtains the appropriate documentation (ie: full BK papers, property profile with full transaction history for the property) to verify that the mortgage obligation was discharged in the bankruptcy. Otherwise, the greater of the applicable bankruptcy or foreclosure waiting periods must be applied.

** Must be reviewed by management to see if policy applies. **